

Memo to: Evatt Tamine

Date: February 5, 2010

Subject: Performance Review

What went well:

Once again your self evaluation is remarkably accurate. This in itself is a compliment to your logical evaluation of circumstances.

Overall you had a very excellent year which results in full attainment of your \$100,000 target bonus.

Goals for 2010

- 1) Endeavor to deal with the Founding Partners and Arboria issues as best you can. This will include participating in any mediation. However there is ongoing need to be cautious about acquiring too high a profile.
- 2) Monitor the ongoing legislative process in the USA and other jurisdictions and facilitate whatever restructuring ends up being required.
- 3) Take over the financial reporting processes from James Gilbert. The goal to be achieved is:
 - establish use of an accounting software package that is a true double entry accounting system with proper journals, schedules, and general ledger with financial reports are produced
 - where the financials have columns for the previous 5 years that show all amounts for all lines on the P&L and Balance sheet – as well as for the current 6 month period
- 4) Conduct a semi-annual financial review of all entities face to face by the end of the first half of the year
- 5) Scan the box of miscellaneous documents and add them to the image database
- 6) Reorganize the boxes of original documents such that historical files of discontinued entities are segregated into their own box(es)
- 7) Request an asset ledger from Mountain Queen, Inc. that details all of the real estate, improvements, and furnishings. They should be keeping this for purposes of calculating depreciation – but they need to be asked.

- 8) Endeavor to continue to harden the RADMIN and email server reliability by acquiring additional UPS power sources – and if possible – provide for monitoring while you are away.
- 9) Continue to address the projects on the To-Do List.
- 10) Arrange for audited financials for those entities that need to have audits
- 11) Annually verify that there are letters of resignation from all trustees and that Bob has the originals
- 12) Update the To-Do list at least monthly

General Goals for Every Year

- 1) Continue to work to reduce the number of entities as this makes all processes simpler creating more time to focus on investment programs.
- 2) Continue to keep the document image database up to date constantly
- 3) Continue to keep the entity/significant transaction database up to date constantly
- 4) Publish the Cash Report monthly
- 13) Convert to keeping all email and financial records on an encrypted USB dongle carried in a different location in luggage when traveling abroad
- 14) Continue to update the accounting reports to the document image database
- 15) Operate as much as possible in a paperless manner – such that if someone were to come in your door unannounced everything would be in encrypted digital form
- 16) Complete adding the documents and significant transactions for superseded entities to the respective databases on a piecemeal basis during the year
- 17) Run Evidence Eliminator at least weekly on your computer
- 18) Keep your computer system running perfectly – get whatever you need for maximum productivity and backup
- 19) Get Don's computer environment operating on RADMIN
- 20) Continue basic education in accounting, bookkeeping, auditing, and financial controls

- 21) Maintain all working entities in good standing so that their legal existence can not be questioned
- 22) Maintain relationships with service providers – bearing in mind that not a lot should be expected from them – never take for granted that they are doing what they should be doing which will require constant monitoring of their reports, primarily their financial reporting – Gordon Howard being the key service provider that would be most problematic to replace – look to Peter Mitchell potentially being a successor to Gordon should Gordon no longer be capable
- 23) To the extent possible, no service provider should become crucial – always be thinking about portability and alternate providers should the need arise
- 24) Regardless of the level of non-performance of a service provider, a cordial professional relationship should be maintained – unless a high level policy decision to do otherwise is made
- 25) In the event of non-performance of a service provider or investment, the policy will always be to withdraw quietly – unless a high level policy decision to do otherwise is made
- 26) Continue the excellent work on the spreadsheet for expenses of each service provider such that detail entries by type of expense are kept so as to support the annual expenses for each service provider
- 27) Coordinate the charitable giving initiatives of the AEBCT
- 28) Monitor your levels of daily effort so as to avoid burn-out. Engage in a regular fitness program with proper diet so as to stay in top physical condition.
- 29) Other than your personal vacation travel, I recommend that you conserve the amount of travel that you do for business as your control of everything will be directly related to the amount of time you spend in front of your multi-monitor computer system at home in France.
- 30) Plan your life for healthy, balanced, stable, long-term productivity
- 31) Although you have several personal friends in Houston that I am sure you want to maintain, please restrict your contact with the USA generally such that except for these few – you tend to fade into the background

Compensation

Your annual remuneration for 2010 will be increased to an annual salary of \$325,000 plus a bonus opportunity of \$125,000.

Conclusion

Your continued excellent performance in all aspects of your job are noted and appreciated.

On Behalf of Spanish Steps Holding LTD